



## Department of Transportation

### Office of the Secretary

700 E Broadway Avenue  
Pierre, South Dakota 57501-2586  
Phone: 605.773.5105

Web site: [www.sddot.com](http://www.sddot.com) and [www.safetravelusa.com/sd](http://www.safetravelusa.com/sd)



# DRAFT

## MEMORANDUM

Date: October 22, 2019  
To: Airport Sponsors  
From: SD Aeronautics Commission  
Subject: State Funding for Airport Improvement Projects

This correspondence is to notify you of the recent state match percentage changes on Airport Improvement Projects approved during the September 24, 2019 Aeronautics Commission meeting. Beginning immediately, the Commission will no longer participate in using State funds on revenue producing projects such as, but not limited to; hangers and fuel systems. Beginning in FY2021 for all other Airport Improvement Program (AIP) projects, the State match share will be reduced from 5% to 3.5%. The result of this change will require you to increase your match amount an additional 1.5% as the FAA match rate remains at 90% federal and 10% local match.

We understand this could impact your future plans and may create funding challenges for your AIP projects. This notification is so you can make appropriate financial changes needed to address the modifications made to the State match rate. The reasoning for these changes is due to revenues not being in line with expenditures and the need to maintain an appropriate state balance to continue our participation in funding future AIP projects.

cc: Airport Planning and Design Consultant Engineers